

Assembly Bill No. 1650

CHAPTER 1005

An act to add Section 1871.8 to the Insurance Code, relating to workers' compensation.

[Approved by Governor September 27, 1996. Filed
with Secretary of State September 29, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1650, Morrissey. Workers' compensation.

Existing law makes it unlawful to make any knowingly false or fraudulent material statement for the purpose of obtaining workers' compensation.

This bill would provide that an insurer or self-insured employer may provide a specified notice to an injured worker on or with a check for temporary disability benefits. The notice would state that the acceptance of employment with a different employer that requires the performance of activities that the worker has stated that he or she cannot perform because of an injury could constitute fraud and result in criminal prosecution.

The people of the State of California do enact as follows:

SECTION 1. Section 1871.8 is added to the Insurance Code, to read:

1871.8. An insurer or self-insured employer may provide the following notice to an injured worker on or with a check for temporary disability benefits:

Warning: Acceptance of employment with a different employer that requires the performance of activities that you have stated that you cannot perform because of the injury for which you are receiving temporary disability benefits could constitute fraud and could result in criminal prosecution. If convicted, you could lose your rights to workers' compensation benefits and face imprisonment for up to five years and a fine of up to fifty thousand dollars (\$50,000) or double the amount of the fraud, whichever is greater.

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